

Handling Homeowner Inaction



Introduction

We often hear from our pros that homeowner inaction can be confusing and sometimes frustrating. On one end of the engagement spectrum, a homeowner may have called, left a message, or submitted a contact form indicating their interest in a project. You follow up, but despite the indicated interest, the homeowner just never responds to you.

Or you may have a homeowner with whom you've actually met and discussed a potential project, but who suddenly becomes unresponsive. In this case, particularly when you've invested time into consulting with the client, providing estimated project scope and costs, or collaborating with them on ideas that generated excitement and enthusiasm, it's natural to wonder why you don't hear back.

In this eBook, we'll cover some of the most common reasons why homeowners may become unresponsive, and how you can best manage for success in these situations.

UNDERSTANDING UNRESPONSIVE CLIENTS



Communication Overload

Studies show that people spend, on average, 28% of their time each day answering email; that's a full three hours in a 10-hour workday. In addition, people delete half of the emails they receive.

Why? Writing an email takes 72 seconds — deleting takes three. So when your prospective client is struggling to prioritize their incoming messages, sometimes the reason they're unresponsive is as simple as a lack of time and a little procrastination.

According to CRM Magazine: Recent statistics from Forbes magazine show that 80% of callers sent to voicemail do not leave messages because they don't think they'll even be heard.

Other surveys show different numbers. Speech technology vendor Nuance Communications recently conducted a survey with Research Now and discovered that 95% of those polled find text messaging more convenient than voicemail.

Adam Boalt, CEO of LiveAnswer, a provider of phone support services for small and mid-sized businesses, puts the voicemail abandonment rate at between 50% and 75%, depending on the type of business. Assuming your potential clients are at work during your hours of operation, there's a good chance they can't get to your call.

“Our client services team communicates with clients as they'd prefer. For example, if a client emails us, we email them back; even if it's a new client or a prospect. There is a clear preference in communication styles for each individual and we need to be flexible.”

The key is to employ multiple forms of communication to determine which is most likely to generate a response. Then, continue to communicate using the client's preferred format.



Spacialists, Building Designers and Drafters



Keeping the Option Open

A lack of response does not necessarily mean that your potential clients are simply not seeing or hearing your attempts to reach them. There are also some personally motivating reasons.

Whether a communication is easier to ignore than to respond to, or the homeowner simply isn't ready to make a decision, there might be a psychological reluctance to close the door on an opportunity. They just don't want to commit to yes or no.

So how can you, as a design or renovation professional, help move the process forward?

In the next section, we'll consider the importance of taking immediate action and developing a consistent contact strategy to help motivate your potential clients and help them to be more responsive.

ENGAGEMENT STRATEGIES



Take Immediate Action

When capturing new business inquiries, best practice is to have an internal process that allows you to take immediate action. For example, designating someone in your office to manage inbound leads and phone calls. That may be you as a sole proprietor, or someone else on your team. What's important is that that person can respond quickly.

Research shows the odds of connecting with a lead decrease substantially within the first hour — by over six times. What's even more interesting is that the Harvard Business Review reports only 37% of companies call a lead within the first hour. By initiating contact right away, you're not only more likely to qualify the prospect, but you're also in a better position to beat out the competition.

Since there's no guarantee that the homeowner will be available, even if you call right away, send a follow up email as well. If they provided their email address, it may be because they prefer email to phone.

“Once, I was working on a proposal and was about to finish, so I let a call go to voicemail. The potential client left a message. I called her back within the hour. She thanked me for returning the call, but decided to work with the person who physically answered the phone that morning.”



Kalli George Interiors, Interior Designer

“Work used to go to the biggest; now it goes to the fastest. I respond to new client inquiries immediately. It always impresses potential clients.”



Joseph Corlett, LLC, General Contractor

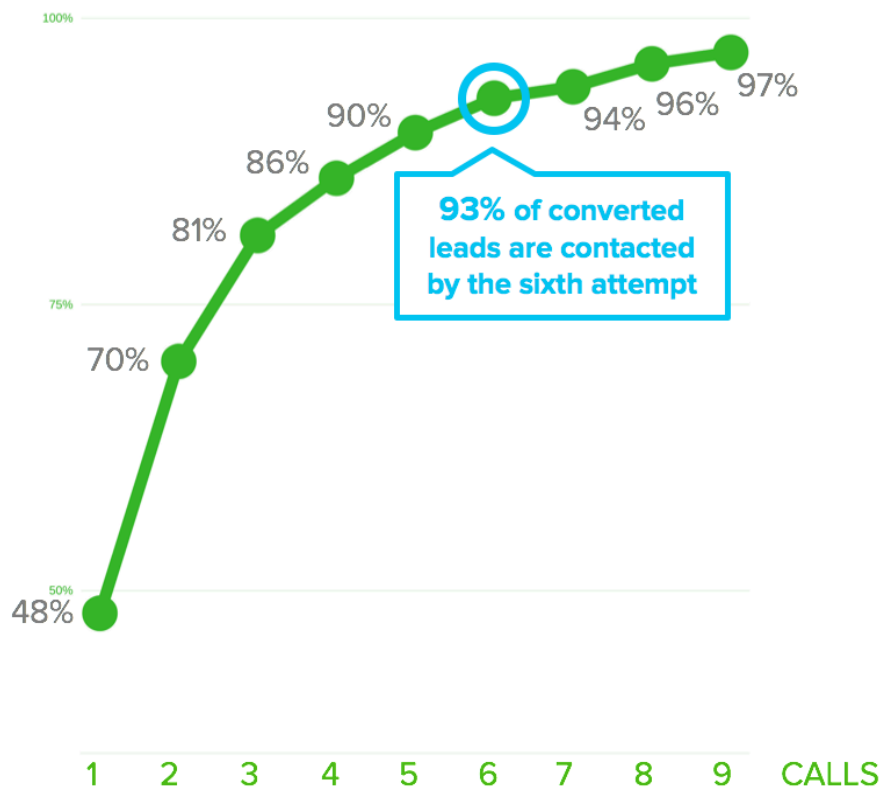
Six Calls to Success

A lead management and sales automation company conducted a study of 3.5 million leads and found that 93% of converted leads required multiple contact attempts -- in some cases, as many as six calls. Unfortunately, 50% of leads were never contacted a second time.

If you're not making multiple attempts to connect with your new business inquiries, there's a good chance you're missing out on opportunities.

The study also recommends the following call strategy:

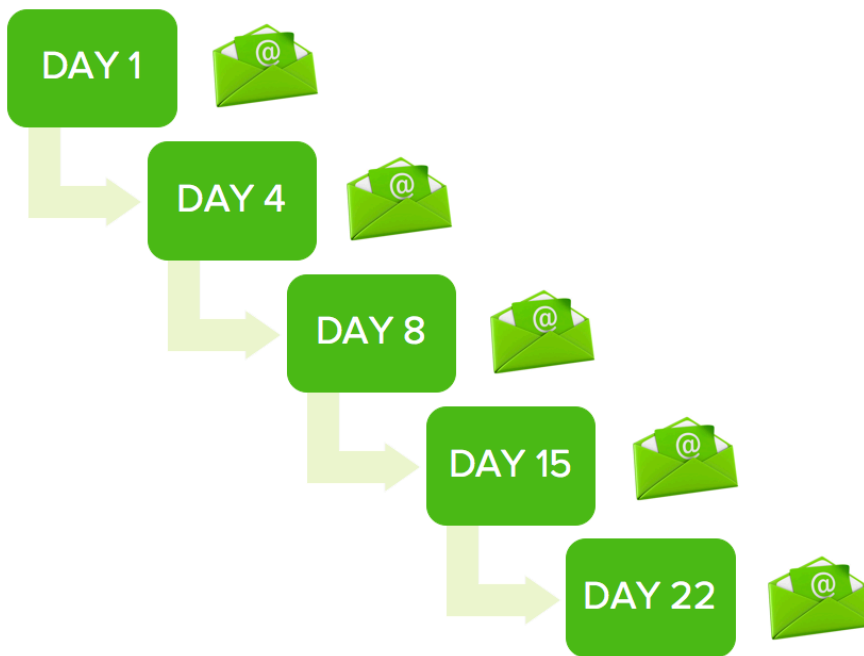
- Call three times within the first two hours of receiving an inquiry
- Make a fourth attempt on day 5
- Make a fifth attempt on day 14
- Make a final attempt on day 15



The most effective contact strategy combines a consistently executed cadence of both phone calls and emails. Overlay the recommended call strategy here with the email method outlined on page 9.

Email Contact Strategy

Use email as a supplement to phone calls. If you capture the homeowner's email as part of the initial inquiry, you can also leverage email communication as part of your overall contact strategy. For example, follow the recommended guidelines below:



Source: Velocity

“Since most inquiries arrive via email, it's easy for me to respond within 24 hours and outline the next step. I often schedule phone call appointments with potential, new, and existing clients because we are all busy with our own lives, and I want to make sure that we are all focused on the discussion.”



MLB Design Group, Kitchen and Bath Designer

EFFECTIVE SALES STRATEGIES



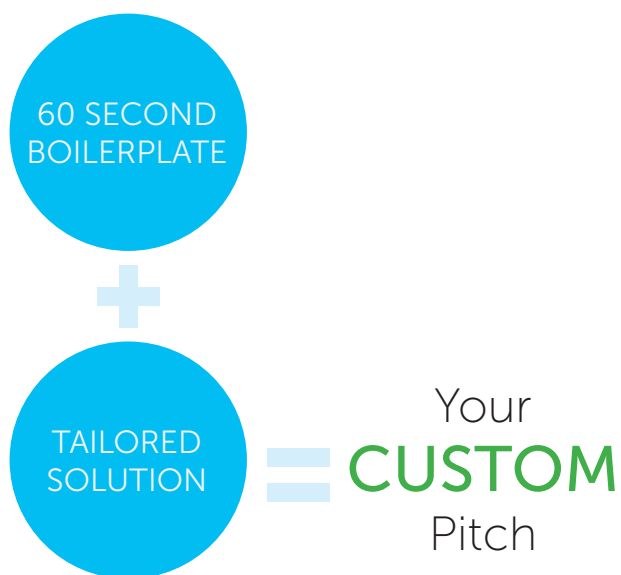
Tailoring the Pitch

An effective sales process is critical for getting potential clients engaged and invested in the project. Every business has a unique value proposition, so the first step of an effective sales process is to define yours. Not only is it critical to communicate your primary areas of expertise anywhere you advertise, but it's also necessary to tailor each sales conversation to your homeowner's specific needs.

Small business owners with the Forbes Business Development Council recommend the following approaches for tailoring your sales pitch:

- Create the high-level, generic boilerplate pitch to introduce yourself in 20 to 60 seconds
- Ask questions to understand what your homeowner is looking to accomplish, and listen to their primary challenges and concerns
- Show customers why they're better off doing business with you

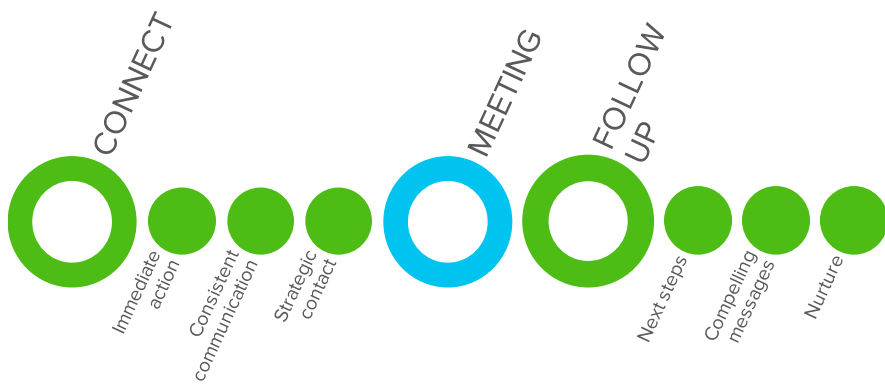
Combining your knowledge and expertise with the homeowner's challenges creates a compelling reason for them to listen and choose you. Show them how they can benefit from a solution that you can provide, as well as the positive impact you can have on their project.



Initial Meeting Follow-Up

In the event that you've taken immediate action, connected with the prospect, and tailored a pitch for the homeowner's specific needs, how can you effectively keep them engaged if they're just not ready to make a decision?

Studies indicate that almost 80% of sales leads require at least five follow-ups after the initial sales meeting. But, nearly 44% of salespeople give up after just one follow up, or forget to follow-up altogether. Leaders in sales and lead management stress the importance of creating a strategic approach to following up with prospects.



“If I don’t get the contract signed at a meeting, I check back in once to thank them and see if I can be of further assistance. After we’ve established an outline, we tend to check in two to three times a year until they are ready to tackle some of the bigger jobs.”



Meriwether Inc., Architect



Next Steps

Many pros recommend beginning with clear communication regarding next steps in the decision-making process. What deliverables can they expect from you and when (such as an estimate or proposal)? What will you need from them to initiate the project (such as a down payment or signed contract)?

“It takes so much more selling of yourself and follow up phone calls to get a client to commit these days. What seems to work best for me is setting the standard at each meeting of what I will be doing next. I first ask to set up the next meeting to review a contract in person; if they are not willing to do that, I let them know I will contact them within the week to see if they have any questions.”



A. Peltier Interiors, Kitchen and Bath Designer

Tips for Effective Follow-up

VOICEMAIL

Sales strategists recommend best practices around voicemail messages that capture attention and increase engagement:

- Messages should be between 20 to 30 seconds long
- Lead with information that's relevant to the homeowner
- Pose a question to encourage a response
- End with a reason to get in touch and your phone number
- Let them know you'll follow up with an email (if you have it)

EMAIL

An email productivity software recently analyzed 40 million emails and measured responsiveness based on several unique characteristics to develop the following recommendations:

- Keep emails between 50 to 125 words
- Subject lines should be three or four words
- Include one to three questions in your email

EMAIL CADENCE

Sales strategists recommend following up on a proposal at least three times, at intervals of approximately 7 to 10 business days, depending on the project scope and level of engagement. For example:

- Email 1: Send a thank you with notes about what was discussed regarding the project; if you haven't provided an estimate, let the homeowner know when they can expect it.
- Email 2: Follow up on an action item, such as signing a contract or scheduling another conversation. Include something of value as well that's relevant to the homeowner.
- Email 3: Create a sense of urgency with a question, and again, share something that your homeowner may find valuable.

Nurturing Prospects

According to our Houzz and Home survey, homeowners are in the project planning phase of their projects for four to eight months. If your prospective client isn't yet ready to make a decision, implement a nurture strategy that keeps your business top of mind and helps establish trust.

Nurturing prospects is a common practice for small businesses and multi-billion dollar industries alike. The goal with nurturing is to remind prospects about your business, services, and expertise, increase awareness and educate about your brand, and provide value in a way that doesn't just feel like a sales pitch. In fact, research shows that 74% of top-performing companies use a lead nurturing strategy.

Studies show that on average, prospects receive 10 touches from the time they are considered a qualified prospect to the time they have become a sold customer.

"Email communications really need to be considered along with the social media mix. I just started sending out a weekly simple 'Imaging Inspirations' featuring one imaging project as opposed to a longer newsletter."



DJSquire Designs, Landscape Contractor

Ideas to Nurture:

1. Newsletter and promotional emails
 2. Periodic updates on industry trends
 3. Invitations to events that homeowners might find interesting
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Local Marketing with Houzz

To develop a pipeline of homeowners who are researching pros online and hiring for home design and renovation projects, consider signing up for our Pro+ local marketing program.

Call us at **1 (800) 640-6061** or email grow@houzz.com to schedule your interactive, online demo.

“Participating in the Pro+ program has been a worthwhile investment in brand marketing. Once we joined Pro+, we immediately saw visits to both our Houzz profile and to our website skyrocket. Pro+ has boosted our online presence in ways that no other marketing has ever done. Ninety percent of our clients tell us that they’ve seen us on Houzz! I’m a firm believer that Houzz is changing the way our industry is operating.”



Infinite Home, Design-Build Firm

"Soon after joining Pro+, we received quite a few leads that have led to some really wonderful projects! Our customers love Houzz, so having such great visibility on the site improves the experience for our customer."



LaFauci Tile and Marble, Tile, Stone, and Countertop Professional